

Abstract:

Diploma thesis Finance of territorial units in the Czech Republic applies to analyze the self-governing budgets, especially municipalities. The thesis has the theoretical part and the practical one. An approach and function of public budgets and finance are described in the theoretical part. Following part of the thesis is devoting to the Czech budgetary system with the focus to municipal and region budgets. There are analyzed categories of income and expenditures. Budgetary expenditures are compared between municipalities and regions according to allocated field of application, according to the amount of capital expenditures. Another chapter is engaged in current issues in the municipality funding – there were changes in the system of tax distribution from the central government. The second issue is the growing indebtedness of Czech municipalities. The thesis tries to find some recommendations and solutions. The last chapter applies the financial and property analysis for the city of České Budějovice. An economy of the city is assessed according to chosen indicators, ratios and comparisons with budgets and assets between the years 2006 and 2011.